

CASE

NUMBER:

99 - 397

HISTORY INDEX FOR CASE: 1999-39
GTE SOUTH, INC.
Interconnection Agreements
WITH SPRINT COMMUNICATIONS COMPANY, L.P.

IN THE MATTER OF 252(I) ADOPTION LETTER BETWEEN GTE SOUTH
INCORPORATED AND SPRINT COMMUNICATIONS COMPANY, L.P.

SEQ NBR	ENTRY DATE	REMARKS
0001	09/22/1999	Application.
0002	09/29/1999	Acknowledgement letter.
0003	12/21/1999	Final Order approving agreement.
M0001	12/30/1999	JOHN HUGHES SPRINT-MOTION TO REVOKE INTERCONNECTION AGREEMENT & NOTICE OF INTENT
M0002	01/18/2000	LARRY CALLISON GTE-RESPONSE TO MOTION OF SPRINT TO REVOKE INTERCONNECTION AGREEMENT
0004	01/20/2000	First Reminder to Larry Callison C: Morris Honorable Hughes and Atkinson
M0003	02/02/2000	SPRINT COMMUNICATIONS JOHN HUGHES-RESPONSE TO LETTER OF JAN 20,2000 CONCERNING NEGOTIATED A
M0004	02/29/2000	JOHN HUGHES-REQUEST FOR PSC TO REQUIRE GTE TO SIGN ADOPTION LETTER & APPROVE IT
M0005	03/02/2000	LARRY CALLISON GTE-LETTER TO REQUEST PSC NOT REQUIRE GTE TO SIGN SPRINTS FEB 11,00 LETTE
0005	03/28/2000	Final Order directing GTE & Sprint to submit signed copy of adoption agreement
M0006	04/07/2000	JEFF YOST GTE SOUTH-RESPONSE TO PSC ORDER OF MARCH 28,00

JACKSON & KELLY PLLC

ATTORNEYS AT LAW

175 EAST MAIN STREET

P. O. BOX 2150

LEXINGTON, KENTUCKY, 40505-2150 40588-9945

TELEPHONE 606-255-9500

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<http://www.jacksonkelly.com>

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CHARLESTON, WEST VIRGINIA 25301
TELEPHONE 304-340-1000

300 FOXCROFT AVENUE
MARTINSBURG, WEST VIRGINIA 25402
TELEPHONE 304-263-8800

256 RUSSELL AVENUE
NEW MARTINSVILLE, WEST VIRGINIA 26155
TELEPHONE 304-455-1751

6000 HAMPTON CENTER
MORGANTOWN, WEST VIRGINIA 26505
TELEPHONE 304-599-3000

1000 TECHNOLOGY DRIVE
FAIRMONT, WEST VIRGINIA 26554
TELEPHONE 304-368-2000

412 MARKET STREET
PARKERSBURG, WEST VIRGINIA 26101
TELEPHONE 304-424-3490

1144 MARKET STREET
WHEELING, WEST VIRGINIA 26003
TELEPHONE 304-233-4000

1660 LINCOLN STREET
DENVER, COLORADO 80264
TELEPHONE 303-390-0003

2401 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20037
TELEPHONE 202-973-0200

MEMBER OF LEX MUNDI
THE WORLD'S LEADING ASSOCIATION
OF INDEPENDENT LAW FIRMS

April 7, 2000

Hon. Martin J. Huelsmann
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602-0615

RECEIVED

APR 07 2000

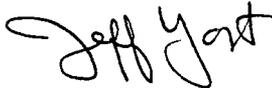
PUBLIC SERVICE
COMMISSION

Re: Case No. 1999-397

Dear Mr. Huelsmann:

Pursuant to the Commission's March 28, 2000 Order (the "Order"), enclosed please find a letter signed by both GTE South Incorporated and Sprint Communications Company, L.P., containing the language mandated by the Order. Please note that GTE South Incorporated is making this filing solely for the purpose of complying with the Order, and fully reserves its rights to challenge the Order and any arbitrated provisions of the AT&T/GTE arbitrated agreement. Specifically, GTE does not voluntarily consent to the adoption of those arbitrated provisions, and, in that respect, does not authorize any of its representatives to offer such consent. With this in mind, the signature of a GTE representative has been placed on the enclosed documents only under the duress of the Order, which required such signature.

Sincerely yours,



Jeffrey J. Yost

JJY:bsh

c: GTE South Incorporated
Sprint Communications Company, L.P.

302302306371

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection



GTE Network
Services

HQE03828
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-4586
FAX 972/719-1523

April 1, 2000

RECEIVED

W. Richard Morris
Sprint Communications Company, L.P.
7301 College Boulevard
Overland Park, Kansas 66210

APR 07 2000

PUBLIC SERVICE
COMMISSION

RE: Agreement of adoption of an approved interconnection agreement pursuant to 47 U.S.C.
252(i).

Dear Mr. Morris:

In compliance with the language required by the March 28, 2000 order by the Kentucky Public Service Commission in Case No. 99-397, GTE submits the following for your execution.

GTE South Incorporated and Sprint Communications Company L.P. have executed this agreement regarding the adoption by Sprint of the agreement between GTE and AT&T Communications of the South Central States, Inc. pursuant to Order of the Public Service Commission. Sprint adopts the terms of the AT&T arbitrated agreement for interconnection with GTE (Case No. 96-478) and in applying the terms agrees that Sprint shall be substituted for AT&T in the terms wherever appropriate.

Notice to the Parties as may be required under the terms shall be provided as follows:

If to GTE:

GTE South Incorporated
Attention: Assistant Vice President/Associate General Counsel
Service Corporation
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone number: 972/718-6361
Facsimile number: 972/718-3403
Internet Address: wmnotices@telops.gte.com

and

GTE South Incorporated
Attn: Director-Wholesale Contract Compliance
Network Services

W. Richard Morris
April 1, 2000
Page 2

600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone Number: 972/718-5988
Facsimile Number: 972/719-1519
Internet Address: wmnotices@telops.gte.com

If to Sprint:

Sprint Communications Company, L.P.
Attention: W. Richard Morris
Vice President-Local Market Integration
7301 College Blvd.-KOSPKV0214
Overland Park, Kansas 66210

Sprint represents and warrants that it is a certified provider of local telecommunications services in the state of Kentucky and that its adoption of the terms covers services in the state of Kentucky only.

The terms of this agreement shall be in effect until the AT&T arbitrated terms are terminated. The AT&T arbitrated agreement is currently scheduled to expire on August 9, 2002.

Please sign this letter on the space provided below and return it to the undersigned.

Sincerely,

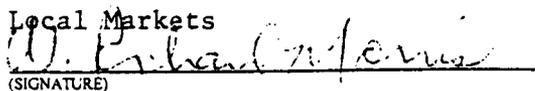
GTE South Incorporated



Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection

APPROVED BY LEGAL DEPT.	
<i>TR</i>	<i>Stalko</i>
ATTORNEY	DATE

Sprint Communications Company, L.P.
Vice President - External Affairs
Local Markets


(SIGNATURE)

W. Richard Morris
(PRINT NAME)



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 1999-397
GTE SOUTH, INC.

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on March 28, 2000.

See attached parties of record.

Stephanie J. Bell
Secretary of the Commission

SB/hv
Enclosure

*Larry D. Callison
State Manager-Regulatory Affairs
GTE Service Corporation
KY10H072
150 Rojay Drive
Lexington, KY. 40503

W. Richard Morris
V President-Local Market Integration
Sprint Communications Company, L.P.
7301 Collage Boulevard-KSOPKVO214
Overland Park, KS. 66210

Honorable John N. Hughes
Attorney for Sprint Communications
124 West Todd Street
Frankfort, KY. 40601

Honorable William R. Atkinson
Attorney, State Regulatory for
Sprint Communications, L.P.
3100 Cumberland Circle
Atlanta, GA. 30339

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REVIEW OF AN AGREEMENT)
BETWEEN GTE SOUTH INCORPORATED AND) CASE NO. 99-397
SPRINT COMMUNICATIONS COMPANY, L.P.)
PURSUANT TO 47 U.S.C. 252(i))

O R D E R

GTE South Incorporated ("GTE") and Sprint Communications Company L.P. ("Sprint") have submitted to the Commission separate recommendations for adoption letters pursuant to 47 U.S.C. 252(i). Sprint has signed its notice of adoption; GTE proposes the parties sign their own separate adoption notices. The Commission herein mandates that both parties sign a common agreement. The language for the common agreement should be as follows:

Agreement of adoption of an approved interconnection agreement pursuant to 47 U.S.C. 252(i). GTE South Incorporated and Sprint Communications Company L.P. have executed this agreement regarding the adoption by Sprint of the agreement between GTE and AT&T Communications of the South Central States, Inc. pursuant to Order of the Public Service Commission. Sprint adopts the terms of the AT&T arbitrated agreement for interconnection with GTE (Case No. 96-478) and in applying the terms agrees that Sprint shall be substituted for AT&T in the terms wherever appropriate.

Notice to the parties as may be required under the terms shall be provided as follows to:

GTE South Incorporated
Attention: Director--Wholesale Contract Compliance
Network Services
600 Hidden Ridge
Irving, Texas 75038

Sprint Communications Company, L.P.
Attention: W. Richard Morris
Vice President-Local Market Integration
7301 College Blvd. – KOSPKV0214
Overland Park, Kansas 66210

Sprint represents and warrants that it is a certified provider of local telecommunications services in the state of Kentucky and that its adoption of the terms covers services in the state of Kentucky only.

The terms of this agreement shall be in effect until the AT&T arbitrated terms are terminated. The AT&T arbitrated agreement is currently scheduled to expire on August 9, 2002.

A copy of this statement with no substantive changes or additions must be signed by both parties and submitted to the Commission within 10 days of the date of this Order.

GTE has sought to include in the adoption agreement a statement that any provisions of the AT&T contract that might be interpreted to require reciprocal compensation or payment of local traffic from GTE to the telecommunications carrier for the delivery of traffic to the Internet are not available for adoption and are not part of this agreement, pursuant to Federal Communications Commission Rule 809 and Paragraphs 1317 and 1318 of the First Report and Order. Such inclusion based on GTE's unilateral assertion that the cost of providing service is not cost-based under Rule 809 is inappropriate for an adoption agreement. Should GTE believe that any part of its agreement with AT&T is inappropriate for adoption, that matter must be presented to this Commission in the form of a complaint for this Commission to determine the factual basis of GTE's assertions. GTE may not unilaterally decide that it will not provide to a carrier the identical contract language which the Commission has required it to provide to another carrier.

Accordingly, IT IS HEREBY ORDERED that:

1. Within 10 days of the date of this Order, GTE and Sprint shall submit a signed copy of the adoption agreement as specified herein.
2. The agreement ordered herein shall be approved without further Order of this Commission.

Done at Frankfort, Kentucky, this 28th day of March, 2000.

By the Commission

ATTEST:


Executive Director

Larry D. Callison
State Manager
Regulatory Affairs & Tariffs



**GTE Service
Corporation**

KY10H072
150 Rojay Drive
Lexington, KY 40503
606 245-1389
Fax: 606 245-1721

March 2, 2000

RECEIVED

MAR 02 2000

PUBLIC SERVICE
COMMISSION

Mr. Martin J. Huelsmann
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RE: In the Matter of: Review of an Agreement Between GTE South Incorporated and Sprint Communications Company L.P. Pursuant to 47 U.S.C. 252(i) – Case No. 99-397

Dear Mr. Huelsmann:

GTE takes this opportunity to respond to the Sprint Communications Company L.P. ("Sprint") February 29, 2000 correspondence to you on this matter. The February 29th letter does not adequately portray GTE's response to Sprint's February 11, 2000 letter to GTE. In response to Sprint's February 11th letter, GTE proposed to Sprint on February 21, 2000 that GTE and Sprint execute a joint adoption letter, and that each Party would also file individual adoption letters. As the Commission is aware, GTE and MCImetro Access Transmissions Services LLC. ("MCImetro") together filed on February 21, 2000 in Case No. 96-440 a similar joint letter to bring that matter to a resolution. A copy of GTE's February 21st correspondence to Sprint is attached. Sprint did not respond to GTE's February 21st letter. GTE's response was not limited to a proposal of filing a single (GTE) adoption letter, as alluded to in Sprint's February 29th letter.

GTE believes that Sprint's February 11th letter is entirely inadequate to execute a 252(i) adoption, if for no other reason than the lack of any information whatsoever relative to what legal entity is adopting the AT&T agreement, and who at that company should any necessary notices be sent to. While these may appear to be minor points, the lack of such detail and clarity just sets up the potential for future disputes.

Mr. Martin J. Huelsmann
March 2, 2000
Page Two

It is GTE's position that the proposal set forth by GTE on February 21, 2000 to Sprint is the appropriate method to proceed, and the one which provides each Party with the information necessary to proceed and operate in an efficient and organized manner. As such, GTE requests that the Commission not require GTE to sign Sprint's February 11, 2000 letter, but rather allow the parties to file with the Commission a joint 252(i) adoption letter (voluntarily executed by both parties) or separate 252(i) letters.

Please bring this matter to the attention of the Commission, and should you have any questions or concerns, please do not hesitate to contact me.

Yours truly,

A handwritten signature in cursive script that reads "Larry D. Callison".

Larry D. Callison

LDC:WEM
Enclosure

c: Parties of Record

William E. Munsell
Manager - Wholesale Markets
Interconnection Negotiations



GTE Network
Services

HQE03B62
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-8941
FAX 972/718-1279

February 21, 2000

via fax and overnight mail

Mr. W. Richard Morris
Sprint Communications Company, L.P.
7301 College Boulevard - KSOPKV0214
Overland Park, KS 66210

RECEIVED
MAR 2 2000
PUBLIC SERVICE
COMMISSION

Re: February 11, 2000 Correspondence to Connie Nicholas

Dear Mr. Morris:

GTE declines to sign the letter you sent to Ms. Connie Nicholas on February 11, 2000. GTE understands that Sprint Communications Company, L.P. ("Sprint") has the right to adopt the AT&T Communications of the South Central States, Inc. arbitrated agreement with GTE for the state of Kentucky.

To move forward with this adoption, GTE proposes that the Parties jointly execute the attached adoption letter. The individual companies' adoption letters referenced in the joint adoption letter would be comprised of the September 14, 1999 letter from yourself to me, and the GTE adoption letter dated February 21, 2000, which is also attached.

If this is acceptable to Sprint, please execute the joint adoption letter and return it to:

Sherri Sebring
GTE Network Services
600 Hidden Ridge, HQE03B56
Irving, TX 75038

Upon receipt, GTE will execute the joint adoption letter, return one original to you for your file, and coordinate the filing with the Kentucky Public Service Commission.

If you have any questions regarding this letter, please contact your negotiator, William (Bill) Munsell.

W. Richard Morris
February 21, 2000
Page 2

Sincerely,



William E. Munsell

Enclosure

c: Sherri Sebring
Paul Reed - via Fax
Bill Atkinson - via Fax
Greg Romano - via Fax
Larry Callison - via Fax

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
MAR 2 2000
PUBLIC SERVICE
COMMISSION

In the Matter of:

Case No. 99-397: In the Matter of an Agreement)
Between GTE South Incorporated and Sprint) Case No. 99-397
Communications Company, L.P. Pursuant to 47 U.S.C.)
252(i).)

GTE SOUTH INCORPORATED AND SPRINT COMMUNICATIONS COMPANY,
L.P.'S APPLICATION REGARDING ADOPTION OF AN AGREEMENT PURSUANT
TO THE TELECOMMUNICATIONS ACT OF 1996

GTE South Incorporated ("GTE") and Sprint Communications Company, L.P., ("Sprint") hereby file two separately executed adoption letters with the Kentucky Public Service Commission ("Commission") pursuant to the provisions of Section 252(i) of the Telecommunications Act of 1996, as codified ("the Act").

The attached two adoption letters set forth the manner in which the terms of the approved and effective GTE/AT&T arbitrated interconnection agreement ("Terms") for the Commonwealth of Kentucky will be applied to Sprint under Section 252(i) of the Act.

By making this filing, neither party waives, and each party hereby reserves its rights with respect to its positions concerning section 252(i) adoptions and its respective positions as set forth in the letters included with this filing.

WHEREFORE, GTE AND SPRINT respectfully submit the attached adoption letters to the Commission.

Respectfully submitted, this the ____ day of February, 2000.

SPRINT COMMUNICATIONS
COMPANY, L.P.

By: _____

GTE SOUTH INCORPORATED

By: _____

Jeffrey J. Yost
JACKSON & KELLY, PLLC
175 East Main Street, Suite 500
P. O. Box 2150
Lexington, Kentucky 40596-2150
(606) 255-9500

Richard D. Gary
Gregory M. Romano
HUNTON & WILLIAMS
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219-4074
(804) 788-8200

ITS ATTORNEYS

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection



GTE Network
Services

HQE03B28
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-4586
FAX 972/719-1523

February 21, 2000

W. Richard Morris
Sprint Communications Company, L.P.
7301 College Boulevard
Overland Park, Kansas 66210

Dear Mr. Morris:

GTE has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), Sprint Communications Company, L.P. ("Sprint") wishes to adopt the terms of the arbitrated Interconnection Agreement between AT&T Communications of the South Central States, Inc. ("AT&T") and GTE that was approved by the Commission as an effective agreement in the State of Kentucky in Case No. 96-478 (the "Terms")¹. I understand you have a copy of the Terms. Please note the following with respect to your adoption of the Terms.

1. By your countersignature on this letter, you hereby represent and commit to the following three points:
 - (A) Sprint adopts the Terms of the AT&T arbitrated agreement for interconnection with GTE and in applying the Terms, agrees that Sprint shall be substituted in place of AT&T in the Terms wherever appropriate.
 - (B) Sprint requests that notice to Sprint as may be required under the Terms shall be provided as follows:

To : Sprint Communications Company, L.P.
Attention: W. Richard Morris
Vice President-Local Market Integration
7301 College Blvd. - KSOPKV0214
Overland Park, Kansas 66210
Telephone number: 913/534-6102
FAX number: 913/534-6818

¹ These "agreements" are not agreements in the generally accepted understanding of that term. GTE was required to accept these agreements, which were required to reflect then-effective FCC rules and other applicable law.

- (C) Sprint represents and warrants that it is a certified provider of local telecommunications service in the State of Kentucky, and that its adoption of the Terms will cover services in the State of Kentucky only.
2. Sprint's adoption of the AT&T arbitrated Terms shall become effective upon GTE's filing of this letter with the Kentucky Public Service Commission and remain in effect no longer than the date the AT&T arbitrated Terms are terminated. The AT&T arbitrated agreement is currently scheduled to expire on June 28, 2002.
 3. As the Terms are being adopted by you pursuant to your statutory rights under section 252(i), GTE does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by GTE of the Terms does not in any way constitute a waiver by GTE of its position as to the illegality or unreasonableness of the Terms or a portion thereof, nor does it constitute a waiver by GTE of all rights and remedies it may have to seek review of the Terms, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant to arbitration in Case No. 96-478, or to seek review in any way of any provisions included in these Terms as a result of Sprint's 252(i) election.
 4. On January 25, 1999, the Supreme Court of the United States ("Court") issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. *AT&T Corp. v. Iowa Utilities Board*, No. 97-826, 1999 U.S. LEXIS 903 (1999). Certain provisions of the Terms may be void or unenforceable as a result of the Court's decision of January 25, 1999 and the remand of the pricing rules to the United States Eighth Circuit Court of Appeals. Moreover, nothing herein shall be construed as or is intended to be a concession or admission by either GTE or Sprint that any contractual provision required by the Commission in Case No. 96-478 (the AT&T arbitration) or any provision in the Terms complies with the rights and duties imposed by the Act, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and both GTE and Sprint expressly reserve their full right to assert and pursue claims arising from or related to the Terms.
 5. GTE reserves the right to deny Sprint's adoption and/or application of the Terms, in whole or in part, at any time:
 - (a) when the costs of providing the Terms to Sprint are greater than the costs of providing it to AT&T;

W. Richard Morris

February 21, 2000

Page 3

- (b) if the provision of the Terms to Sprint is not technically feasible; and/or
 - (c) to the extent Sprint already has an existing interconnection agreement (or existing 252(i) adoption) with GTE and the Terms were approved before the date of approval of the existing interconnection agreement (or the effective date of the existing 252(i) adoption).
6. The provisions of the Terms that might be interpreted to characterize traffic destined for Internet as local traffic or requiring the payment of reciprocal compensation are not available for adoption. As noted above, pursuant to Rule 809, the FCC gave ILECs the ability to deny 252(i) adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within this exception. GTE never intended for Internet traffic passing through a telecommunications carrier to be included within the definition of local traffic and subject to the corresponding obligation of reciprocal compensation. Despite the foregoing, some forums have required reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based.
7. Should Sprint attempt to apply the Terms in a manner that conflicts with paragraphs 3-6 above, GTE reserves its rights to seek appropriate legal and/or equitable relief.

Please sign this letter on the space provided below and return it to the undersigned.

Sincerely,

GTE South Incorporated

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection

Reviewed and countersigned as to points A, B, and C of paragraph 1:

Sprint Communications Company, L.P.

(SIGNATURE)

(PRINT NAME)

c: W.E. Munsell - GTE

JOHN N. HUGHES
Attorney at Law
Professional Service Corporation
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

Telephone:
(502) 227-7270

Telecopier:
(502) 875-7059

February 29, 2000

VIA HAND DELIVERY

Mr. Martin J. Huelsmann, Jr.
Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
Frankfort, Kentucky 40602

RECEIVED

FEB 29 2000

PUBLIC SERVICE
COMMISSION

RE: Case No. 99-397: In the Matter of Review of an Agreement Between
GTE South Incorporated and Sprint Communications Company L.P.
Pursuant to 47 U.S.C. 252(i)

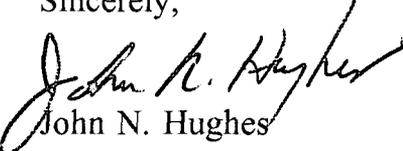
Dear Mr. Huelsmann:

On February 2, 2000, Sprint Communications Company L.P. ("Sprint") filed a letter with the Commission that recounted the current status of the above-styled proceedings, and that informed the Commission that Sprint intended to present to GTE South, Incorporated ("GTE") an interconnection agreement adoption letter pursuant to Sprint's rights under Section 252(i) of the Telecommunications Act of 1996 ("Act"). Sprint sent such an adoption letter to GTE on February 11, 2000, a copy of which is attached hereto. The letter states clearly that Sprint is entitled to adopt, and is adopting, the entire AT&T/GTE interconnection agreement in Case No. 96-478, including but not limited to the ability to obtain Unbundled Network Element Platforms ("UNE-Ps").

GTE declined to sign Sprint's February 11, 2000 adoption letter and instead offered to Sprint a draft adoption letter which retains some of the proposed restrictions and limitations included in GTE's original adoption letter, dated August 27, 1999, and filed in this docket on September 22, 1999. Because Sprint's rights under Section 252(i) of the Act are not subject to GTE's proposed restrictions, Sprint respectfully requests that the Commission require GTE to sign the attached adoption letter and approve Sprint's adoption of the AT&T/GTE agreement. Sprint notes that in electing the AT&T/GTE agreement in its entirety, Sprint will necessarily be bound by court rulings and regulatory mandates that may affect the meaning of the Act, or the meaning of terms in the adopted agreement.

The original and ten (10) copies of this letter and attachment are being filed. Thank you for your consideration. Please call me at (502) 227-7270 or Bill Atkinson at (404) 649-6221 if you should have any questions regarding this matter.

Sincerely,


John N. Hughes

Attachment

cc: Mr. William R. Atkinson
Mr. Paul Reed
Ms. Amy Dougherty
Parties of Record, Case No. 99-397



W. Richard Morris
Vice President

External Affairs, Local Markets
7301 College Boulevard
Overland Park, KS 66210
Voice 913 534 6102
Fax 913 534 6237
rich.morris@mail.sprint.com

VIA FACSIMILE AND U.S. MAIL

February 11, 2000

Ms. Connie Nicholas
Assistant Vice President
GTE
600 Hidden Ridge
P.O. Box 152092
Irving, Texas 75038
Irving, TX

RE: Case No. 99-397: In the Matter of Review of an Agreement Between GTE South Incorporated and Sprint Communications Company L.P. Pursuant to 47 U.S.C. 252(i)

Dear Ms. Nicholas:

In accordance with Sprint Communications Company L.P.'s ("Sprint") letter filed with the Kentucky Public Service Commission ("Commission") on February 2, 2000, in the above referenced docket (see attached), Sprint hereby submits for your signature this letter, which memorializes Sprint's election pursuant to Section 252(I) of the Telecommunications Act of 1996 of the agreement between GTE South, Incorporated ("GTE") and AT&T Communications of the South Central States, Inc. ("AT&T") in Case No. 96-478. Specifically, Sprint and GTE agree that Sprint is entitled to adopt the entire AT&T/GTE agreement in Case No. 96-478, including, but not limited to, the ability to obtain Unbundled Network Element Platforms ("UNE-Ps"). Please forward the original executed copy of this letter to me at your earliest convenience, but no later than five (5) business days from the date of this letter, or February 16, 2000. Thank you for your prompt attention to this matter.

Sincerely,

W. Richard Morris
Vice President
National Integrated Services
Sprint Communications Company L.P.

Ms. Connie Nicholas
February 11, 2000
Page 2

Reviewed and agreed to:

GTE South, Incorporated

Connie Nicholas
Assistant Vice President
Wholesale Markets - Interconnection

Attachment

cc: Mr. William R. Atkinson
Ms. Amy Dougherty
Mr. Jack Hughes

JOHN N. HUGHES
Attorney at Law
Professional Service Corporation
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

RECEIVED

FEB 02 2000

PUBLIC SERVICE
COMMISSION

Telecopier:
(502) 875-7059

Telephone:
(502) 227-7270

February 2, 2000

Mr. Martin J. Huelsmann, Jr.
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Case No. 99-397: In the Matter of an Agreement between GTE
South Incorporated and Sprint Communications Company, L.P. Pursuant to 47 U.S.C.
252(I)

Dear Mr. Huelsmann:

By its letter dated January 20, 2000, the Commission requested Mr. Larry Callison of GTE South, Incorporated ("GTE") to file a copy of the letter signed by Sprint Communications Company L.P., which comprises the negotiated agreement between the parties. The letter references the Commission's Order issued on December 21, 1999, in the above styled docket. As explained more fully below, Sprint did not and cannot sign the letter originally proposed by GTE to be the negotiated agreement between the parties. The purpose of this letter is to recount the status of these proceedings from Sprint's viewpoint, and to explain that Sprint is willing to sign an agreement which makes it clear that Sprint is adopting the entire AT&T/GTE agreement pursuant to Section 252(i) of the Telecommunications Act of 1996, and not subject to the restrictions proposed by GTE.

On September 22, 1999, GTE filed certain materials purporting to relate to Sprint's Section 252(i) election of the agreement between GTE and AT&T Communications of the South Central States, Inc. ("AT&T") in Case No. 96-478. Among those materials was a five page letter, which summarized certain restrictions that GTE contended apply to Sprint's election of the AT&T/GTE interconnection agreement. Sprint notes that GTE's cover letter to the September 22, 1999, filing states that this letter was executed between GTE and Sprint, but as the Commission notes in its December 21, 1999 Order, Sprint did not sign the letter.

One of GTE's proposed restrictions attempted to limit Sprint's ability to obtain the Unbundled Network Element Platform ("UNEP"), as provided for in the AT&T/GTE agreement. On December 21, 1999, the Commission issued an Order approving what the Commission took as the negotiated agreement between the parties as represented in the five page unsigned letter. However, the Order also summarized the Commission's position that incumbent local exchange carriers ("ILECS") such as GTE are obligated to provide the UNE-Ps to competitive local

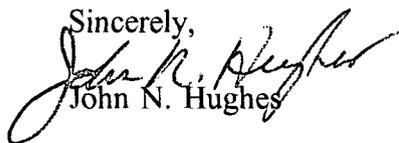
exchange carriers ("CLECS") such as Sprint. The Order further stated that Sprint could revoke the "agreement" and instead rely on its legal right to adopt the entire AT&T/GTE agreement if Sprint notified the Commission of its intent within ten days from issuance of the Order.

Pursuant to the Commission's December 21, 1999, Order, Sprint filed its "Motion to Revoke Interconnection Agreement and Notification of Sprint's Intent to Adopt Entire AT&T/GTE Interconnection Agreement" on December 30, 1999. In its Motion, Sprint formally revoked GTE's proposed restrictions on Sprint's ability to elect the entire AT&T/GTE agreement and requested that the Commission require GTE to sign an agreement indicating that Sprint was entitled to the entire AT&T/GTE agreement, including, but not limited to, the ability to obtain UNE-Ps. On January 18, 2000, GTE filed its Response to Sprint's Motion, in which GTE essentially committed to providing UNE's and UNE-Ps to Sprint in accord with the Commission's prior Orders, although GTE also repeated its position that it "does not believe these orders were issued lawfully" (GTE response, at 2).

Accordingly, Sprint wishes to inform the Commission that it is willing to sign an interconnection agreement with GTE which states clearly that Sprint is entitled to adopt the entire AT&T/GTE Agreement, including, but not limited to, the ability to obtain UNE-Ps. Sprint will draft such an agreement and present it to GTE for GTE's review and signature. In the event that GTE is unwilling to sign such an agreement, it may be necessary for Sprint to contact the Commission and request that the Commission compel GTE to sign the agreement.

An original and ten copies of this letter are being submitted for filing and a copy has been served on GTE. Thank you for your consideration. Please call me at (502) 227-7270 or Bill Atkinson at (404) 649-6221 if you have any questions about this matter.

Sincerely,



John N. Hughes

Attorney for Sprint
C o m m u n i c a t i o n s
Company, L.P.

cc: William Atkinson
Larry Callison
Paul Reed
Parties of record Case No. 99-397
Amy Dougherty



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-1582

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Paul E. Patton
Governor

January 20, 2000

Mr. Larry D. Callison
State Manager-Regulatory Affairs
GTE South, Inc.
150 Rojay Dr.
Lexington, KY 40503

Re: Case No. 99-397
First Reminder Letter

Dear Mr. Callison:

The Commission entered its Final Order in this case on December 21, 1999. Among other things, the Commission ordered that within 10 days of the date of this Order, Sprint shall sign a copy of the letter memorializing the negotiated agreement approved herein and file a copy of the signed agreement with the Commission. This must be filed to fully comply with the Commission's Order. Please make this filing, referencing the case number 99-397.

If you have questions concerning this letter, please contact Howell Brady, Principal Assistant to the Executive Director at 502-564-3940, extension 265. Otherwise, please mail the required filing to Helen C. Helton, Executive Director, Public Service Commission, 730 Schenkel Lane, Post Office Box 615, Frankfort, Kentucky 40602.

Sincerely,

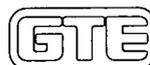

Stephanie Bell
Secretary to the Commission

SB/lc

C: Richard W. Morris
The Honorable John N. Hughes
The Honorable William R. Atkinson



Larry D. Callison
State Manager
Regulatory Affairs & Tariffs



GTE Service
Corporation

KY10H072
150 Rojay Drive
Lexington, KY 40503
606 245-1389
Fax: 606 245-1721

January 18, 2000

RECEIVED

JAN 18 2000

PUBLIC SERVICE
COMMISSION

Mr. Martin J. Huelsmann, Jr.
Executive Director
Public Service Commission
730 Schenkel Lane
Post Office Box 615
Frankfort, Kentucky 40602

Re: In the Matter of: Review of an Agreement Between GTE South
Incorporated and Sprint Communications Company, L.P. Pursuant
to 47 U.S.C. 252(i) - Case No. 99-397

Dear Mr. Huelsmann:

Enclosed for filing with the Kentucky Public Service Commission ("Commission") are an original and ten copies of the Response of GTE South Incorporated to Motion of Sprint to Revoke Interconnection Agreement and Notification of Sprints's Intent to Adopt Entire AT&T/GTE Interconnection Agreement. Sprint's Motion in this matter was filed on December 30, 1999 in response to the Order issued by the Commission on December 21, 1999.

Please bring this filing to the attention of the Commission, and should you have any questions, please do not hesitate to contact me at your convenience.

Yours truly,

A handwritten signature in cursive script that reads "Larry D. Callison".

Larry D. Callison

Enclosure

c: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JAN 18 2000

PUBLIC SERVICE
COMMISSION

In the Matter of:

REVIEW OF AN AGREEMENT)
BETWEEN GTE SOUTH INCORPORATED AND)
SPRINT COMMUNICATIONS COMPANY, L.P.) CASE NO. 99-397
PURSUANT TO 47 U.S.C. 252(i))

**RESPONSE OF GTE SOUTH INCORPORATED TO MOTION OF SPRINT TO
REVOKE INTERCONNECTION AGREEMENT AND NOTIFICATION OF SPRINT'S
INTENT TO ADOPT ENTIRE AT&T /GTE INTERCONNECTION AGREEMENT**

GTE South Incorporated ("GTE South") hereby responds to the Motion to Revoke Interconnection Agreement and Notification of Sprint's Intent to Adopt Entire AT&T/GTE Interconnection Agreement ("Motion") filed by Sprint Communications Company L.P. ("Sprint") on December 30, 1999. The Motion was filed in response to the Order issued by the Kentucky Public Service Commission in this Case on December 21, 1999 ("the Order"). In this Response, GTE makes two points.

First, GTE South must clear up a misconception in the Order. The Order states that a single adoption letter was filed by GTE and that the letter "appears to comprise the only document memorializing the parties' principal agreement." Order at 1. In fact, on September 22, 1999, GTE South filed two letters related to Sprint's adoption of the interconnection agreement between GTE and AT&T Communications of the South Central States, Inc. ("AT&T Agreement") under section 252(i) of the Telecommunications Act of 1996. The first was a letter from Ms. Connie Nicholas to Mr. Paul D. Reed of Sprint dated August 27, 1999 ("GTE Adoption Letter"). The letter set forth the legal terms and conditions of the section 252(i) adoption as GTE understood them. Sprint refused to sign the GTE Adoption Letter and instead

replied with a letter setting forth its understanding of the section 252(i) adoption ("Sprint Adoption Letter"). The Sprint Adoption Letter was the second letter included with GTE's filing with the Commission on September 22, 1999. Collectively, the two letters comprised the 252(i) adoption filing made by GTE.

Second, GTE wishes to make clear that it will abide by the Commission's Orders in Case No. 96-478 to make UNEs/UNE platforms available to AT&T and any other CLEC that adopts the AT&T Agreement, including Sprint. GTE intends to comply with the Commission's Orders in this regard. However, GTE does not believe these Orders were issued lawfully and fully reserves its rights to seek review of these Orders in any available forum, and further reserves all other rights, including but not limited to its rights to seek recovery of its actual costs and a sufficient, explicit universal service fund. Furthermore, GTE does not waive its position that it is not required to provide UNEs unconditionally. Moreover, GTE does not agree that the UNE rates set forth in any agreement are just and reasonable and in accordance with the requirements of sections 251 and 252 of Title 47 of the United States Code.

Respectfully submitted,

GTE SOUTH INCORPORATED



counsel

Jeffrey J. Yost
JACKSON & KELLY
175 East Main Street, Suite 500
P.O. Box 2150
Lexington, KY 40595-2150
(606)255-9500

Richard D. Gary
Gregory M. Romano
HUNTON & WILLIAMS
Riverfront Plaza - East Tower
951 E. Byrd Street
Richmond, Virginia 23219
(804)788-8200

CERTIFICATE OF SERVICE

I hereby certify that I have on this 18th day of January 2000 served a true and exact copy of the foregoing Response of GTE South Incorporated in Case No. 99-397 by United States first class mail, postage pre-paid and properly addressed to the following:

William R. Atkinson, Esq.
Sprint
3100 Cumberland Circle - GAATLN0802
Atlanta, Georgia 30339

John N. Hughes, Esq.
124 West Todd Street
Frankfort, Kentucky 40601



JOHN N. HUGHES
Attorney at Law
Professional Service Corporation
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

RECEIVED

DEC 30 1999

PUBLIC SERVICE
COMMISSION

Telecopier:
(502) 875-7059

Telephone:
(502) 227-7270

December 30, 1999

Helen Helton
Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
Frankfort, KY 40602

In Re: Case No. 99-397

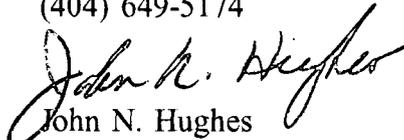
Dear Ms. Helton:

Please file the original and ten copies of Sprint's Motion to Revoke Interconnection Agreement and Notice of Intent to Adopt Entire AT&T/GTE Interconnection Agreement, which is being filed in response to the Commission's order of December 21, 1999.

A copy of this pleading has been served on all parties of record.

Sincerely,

William R. Atkinson
Attorney, State Regulatory
3100 Cumberland Circle
Atlanta, Georgia 30339
(404) 649-5174



John N. Hughes
Attorney for Sprint
Communications L.P.

Attachments

cc: Parties of record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 30 1999

PUBLIC SERVICE
COMMISSION

In the Matter of:

REVIEW OF AGREEMENT)
BETWEEN GTE SOUTH INCORPORATED AND) CASE NO. 99-397
SPRINT COMMUNICATIONS COMPANY L.P.)
PURSUANT TO 47 U.S.C. 252(1))

**MOTION OF SPRINT TO REVOKE INTERCONNECTION AGREEMENT AND
NOTIFICATION OF SPRINT'S INTENT TO ADOPT ENTIRE AT&T/GTE
INTERCONNECTION AGREEMENT**

Pursuant to Ordering Paragraph No. 1 of the Commission's Order, dated December 21, 1999, in the above referenced docket, Sprint Communications Company L.P. ("Sprint") now moves that the Commission revoke the interconnection agreement approved in its Order, and allow Sprint to adopt the entire interconnection agreement between AT&T Communications of the South Central States, Inc. ("AT&T") and GTE South Incorporated ("GTE") approved by the Commission in Case No. 96 478. In support of its Motion, Sprint respectfully shows as follows:

1.

On September 22, 1999, GTE filed on behalf of Sprint the parties' interconnection agreement, wherein Sprint seeks to adopt the interconnection agreement between GTE and AT&T approved by the Commission in Case No. 96-478.

2.

As the Commission notes in its December 21, 1999, Order, Sprint did not sign the adoption letter submitted by GTE on September 22, because it is unnecessary for Sprint to

concede to GTE's position on certain issues stated in the letter in lieu of exercising Sprint's full legal rights in adopting the entire AT&T/GTE agreement approved by the Commission in Case No. 96-478. The adoption letter submitted by GTE impermissibly attempted to limit Sprint's rights under prior Commission Orders, the Telecommunications Act of 1996 ("Act"), and Federal Communications Commission ("FCC") Rules to adopt the entire AT&T/GTE interconnection agreement, including the ability to obtain from GTE the combined unbundled network element ("UNE") platform. Because Sprint could not and does not agree to "not seek UNE platforms or already bundled combinations of UNEs", Sprint did not sign the adoption letter drafted by GTE and submitted on September 22, 1999. Sprint also disagrees with certain other legal interpretations included in the adoption letter drafted by GTE, including GTE's attempt to exclude information service provider ("ISP") traffic from the definition of local traffic subject to reciprocal compensation.

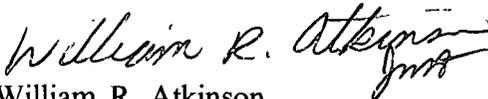
3.

Because GTE cannot permissibly limit Sprint's right to elect the entire GTE/AT&T interconnection agreement, including but not limited to the ability to obtain combined UNE platforms, Sprint respectfully requests that the Commission revoke the interconnection agreement approved in its December 21, 1999 Order, and issue an Order allowing Sprint to adopt the entire GTE/AT&T agreement approved by the Commission in Case No. 96-478.

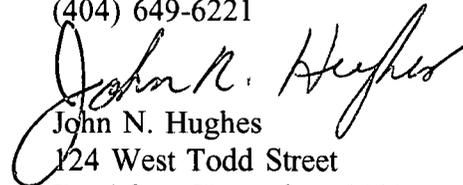
WHEREFORE, in recognition of the foregoing and in accordance with the Commission's Order in this matter, Sprint respectfully requests that the Commission issue an Order revoking the interconnection agreement approved in its December 21, 1999, Order in this docket, and allowing Sprint to adopt the entire AT&T/GTE interconnection agreement, including, but not

limited to, the ability to obtain combined UNE platforms. Sprint further requests that the Commission require GTE and Sprint to sign a new adoption letter within ten days of the date of issuance of its subsequent Order in this matter, specifying that Sprint is entitled to adopt the entire GTE/AT&T interconnection agreement in Case No. 96-478, including, but not limited to the ability to obtain combined UNE platforms.

Respectfully submitted this 30th day of December, 1999.



William R. Atkinson
Sprint
3100 Cumberland Circle - GAATLN0802
Atlanta, Georgia 30339
(404) 649-6221



John N. Hughes
124 West Todd Street
Frankfort, Kentucky 40601
(502)227-7270
Attorneys for Sprint
Communications Company L.P.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and exact copy of the within and foregoing Motion of Sprint Communications Company L.P. in Docket No. 99-397 by United States first class mail, postage pre-paid and properly addressed to the following:

Mr. Larry D. Callison
GTE Service Corporation
150 Rojay Drive
Lexington, KY 40503

Joe W. Foster
GTE Service Corporation
NC999015
4100 N. Roxboro Road
Durham, NC 27704

Jeffrey J. Yost
Jackson & Kelly
175 East Main Street, Suite 500
P.O. Box 2150
Lexington, KY 40595-2150

This 30th day of December, 1999.

William R. Atkinson
Sprint Communications Company L.P.



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 1999-397
GTE SOUTH, INC.

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on December 21, 1999.

Parties of Record:

Larry D. Callison
State Manager-Regulatory Affairs
GTE South, Inc.
150 Rojay Drive
Lexington, KY. 40503

W. Richard Morris
V President-Local Market Integration
Sprint Communications Company, L.P.
7301 Collage Boulevard-KSOPKVO214
Overland Park, KS. 66210

Stephan Bell

Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REVIEW OF AN AGREEMENT)
BETWEEN GTE SOUTH INCORPORATED AND) CASE NO. 99-397
SPRINT COMMUNICATIONS COMPANY, L.P.)
PURSUANT TO 47 U.S.C. 252(i))

O R D E R

On September 22, 1999, GTE South Incorporated ("GTE") and Sprint Communications Company, L.P. ("Sprint") submitted to the Commission their negotiated agreement for the interconnection of their networks. Sprint is purporting to adopt the interconnection agreement between GTE and AT&T Communications of the South Central States, Inc. ("AT&T"), which was approved by the Commission in Case No. 96-478.¹ The adoption letter was negotiated pursuant to the Telecommunications Act of 1996 ("1996 Act"), 47 U.S.C. Sections 251 and 252. The letter appears to comprise the only document memorializing the parties' principal agreement, but it was not signed by Sprint. Section 252(e) of the 1996 Act requires the parties to an interconnection agreement adopted by negotiation to submit the agreement for approval to the Commission.

¹ Case No. 96-478, Petition by AT&T Communications of the South Central States, Inc. for Arbitration of Certain Terms and Conditions of a Proposed Agreement With GTE South Incorporated Concerning Interconnection and Resale Under the Telecommunications Act of 1996. (Order dated July 30, 1999).

The Commission has reviewed the agreement and finds that no portion thereof discriminates against a telecommunications carrier not a party to the agreement. The Commission is somewhat hesitant, however, to find that the implementation of the agreement is consistent with the public interest, convenience, and necessity without informing Sprint that it is entitled to adopt the AT&T agreement in its entirety.

In the agreement filed by GTE, Sprint has agreed to "not seek UNE platforms or already bundled combinations of UNEs."² The document also contains GTE's legal conclusions regarding its alleged, lawful right to withhold access that is required by law. Its legal analysis is erroneous. However, as this matter represents the voluntary negotiations between the parties, the Commission will approve the agreement. Sprint should be aware that GTE has been ordered by this Commission to provide when requested the combined UNE platform where the platform already exists in GTE's network.³ 47 U.S.C. 251, the Federal Communications Commission ("FCC") rules, the United States Supreme Court, and this Commission require UNEs to be furnished. Moreover, the Supreme Court specifically upheld the FCC rule prohibiting an incumbent local exchange carrier ("ILEC") from breaking apart UNEs when they are ordered by a competing local exchange carrier ("CLEC") in combination.⁴ The Commission has consistently reiterated its determination that UNEs are central to providing local exchange service and must be provided by ILECs to CLECs in the manner requested. In addition to the references from Case No. 96-478 discussed herein, the Commission

² September 14, 1999 adoption letter at 2.

³ Case No. 96-478, *supra*, (Order dated May 13, 1999).

⁴ AT&T Corp. v. Iowa Utilities Board, 119 S.Ct. 721 (1999); 47 CFR 315(b).

has consistently ruled in other proceedings pursuant to the Telecommunications Act of 1996.⁵

Sprint must comply with all relevant Commission mandates for serving in this Commonwealth.

The Commission, having been otherwise sufficiently advised, HEREBY ORDERS that:

1. Subject to Sprint's notification to the Commission within 10 days of the date of this Order that it desires to exercise its legal right to revoke this agreement and adopt the entire AT&T agreement, this agreement negotiated between GTE and Sprint is approved.

2. Within 10 days of the date of this Order, Sprint shall sign a copy of the letter memorializing the negotiated agreement approved herein and file a copy of the signed agreement with the Commission.

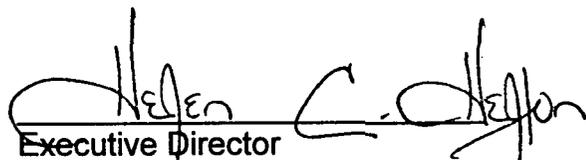
3. Sprint shall file a tariff for local service prior to providing local service giving 30 days' notice to the Commission and shall comply with all Commission regulations and orders as directed.

⁵ See Petition by MCI for Arbitration of Certain Terms and Conditions of a Proposed Agreement with GTE South Incorporated Concerning Interconnection and Resale Under the Telecommunications Act of 1996, Case No. 96-440, Order dated September 1, 1998, at 17 (requiring GTE to permit MCI to order UNEs in combination and stating, "[t]he Commission will not ... tolerate an ILEC's literally breaking apart network elements that are physically connected in the manner requested by a CLEC"). See also Investigation Regarding Compliance of the State of Generally Available Terms of BellSouth Telecommunications, Inc. With Section 251 and Section 252(d) of the Telecommunications Act of 1996, Case No. 98-348, Order dated August 21, 1998, at 8 (finding "unacceptable" a proposed provision that BellSouth would separate combined elements when a CLEC ordered them in combination and finding that "[s]uch separation and subsequent recombination would serve no public purpose and would increase costs that ultimately would be passed on to the consumer").

Done at Frankfort, Kentucky, this 21st day of December, 1999.

By the Commission

ATTEST:


Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

September 29, 1999

Larry D. Callison
State Manager-Regulatory Affairs
GTE South, Inc.
150 Rojay Drive
Lexington, KY. 40503

W. Richard Morris
V President-Local Market Integration
Sprint Communications Company, L.P.
7301 Collage Boulevard-KSOPKVO214
Overland Park, KS. 66210

RE: Case No. 99-397
GTE SOUTH, INC.
(Interconnection Agreements) WITH SPRINT COMMUNICATIONS COMPANY, L.P.

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received September 22, 1999 and has been assigned Case No. 99-397. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,
Stephanie Bell

Stephanie Bell
Secretary of the Commission

SB/jc

Larry D. Callison
State Manager
Regulatory Affairs & Tariffs



**GTE Service
Corporation**

KY10H072
150 Rojay Drive
Lexington, KY 40503
606 245-1389
Fax: 606 245-1721

September 22, 1999

Ms. Helen Helton
Executive Director
Public Service Commission
730 Schenkel Lane
Post Office Box 615
Frankfort, Kentucky 40602

RECEIVED
SEP 22 1999
PUBLIC SERVICE
COMMISSION

RE: 252(i) Adoption Letter Between GTE South Incorporated and
Sprint Communications Company, L.P.

CASE 99-397

Dear Ms. Helton:

Enclosed for joint filing by the parties with the Kentucky Public Service Commission (Commission) are six copies of an executed 252(i) Adoption Letter recently executed between GTE South Incorporated and Sprint Communications Company, L.P.

This Adoption Letter is being provided to the Commission for its review and approval.

Please bring this filing to the attention of the Commission, and if there are any questions, please contact me at your convenience.

Yours truly,

Larry D. Callison

Enclosures

c: Mr. W. Richard Morris - Sprint Communications Company, L.P.



W. Richard Morris
Vice President

External Affairs, Local Markets
7301 College Boulevard
Overland Park, KS 66210
Voice 913 534 6102
Fax 913 534 6237
rich.r.morris@mail.sprint.com

Delivered via Federal Express

September 14, 1999

Mr. Bill Munsell
GTE
600 Hidden Ridge
Irving, Texas 75038

Re: Sprint's adoption of the GTE-AT&T Kentucky Interconnection Agreement pursuant to section 252(i) of the telecommunications Act of 1996

Dear Mr. Munsell,

I am in receipt of your letter to Paul Reed dated August 27, 1999, wherein you set out GTE's position on a number of issues relating to Sprint's adoption under section 252 (i) of the AT&T-GTE Interconnection Agreement and requested Sprint sign a copy of the letter indicating Sprint's understanding of and commitment to three points. Although Sprint declines to sign the letter because such action is unnecessary to exercise its rights under Section 252(i), Sprint acknowledges points A, B and C in the letter.

Please provide an official stamped copy of GTE's adoption letter to the Kentucky Commission once the appropriate documents are filed.

Thank you for your assistance in this matter.

Sincerely,

W. Richard Morris

cc: Mr. William R. Atkinson
Mr. Paul Reed

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection



GTE Network
Services

HQE03B28
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-4586
FAX 972/719-1523

August 27, 1999

Paul D. Reed
Sprint Communications Company, L.P.
7301 College Boulevard
Overland Park, Kansas 66210

Dear Mr. Reed:

We have received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996, you wish to adopt the terms of the arbitrated Interconnection Agreement between AT&T Communications of the South Central States, Inc. ("AT&T") and GTE that was approved by the Commission as an effective agreement in the State of Kentucky in Case No. 96-478 (Terms)¹. I understand you have a copy of the Terms.

Please be advised that our position regarding the adoption of the Terms is as follows.

On January 25, 1999, the Supreme Court of the United States ("Court") issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court vacated Rule 51.319 of the FCC's First Report and Order, FCC 96-325, 61 Fed. Reg. 45476 (1996) and modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. *AT&T Corp. v. Iowa Utilities Board*, No. 97-826, 1999 U.S. LEXIS 903 (1999).

Three aspects of the Court's decision are worth noting. First, the Court upheld on statutory grounds the FCC's jurisdiction to establish rules implementing the pricing provisions of the Act. The Court, though, did not address the substantive validity of the FCC's pricing rules. This issue will be decided by the Eighth Circuit on remand.

¹ *These "agreements" are not agreements in the generally accepted understanding of that term. GTE was required to accept these agreements, which were required to reflect the then-effective FCC rules.

Second, the Court held that the FCC, in requiring ILECs to make available all UNEs, had failed to implement section 251(d)(2) of the Act, which requires the FCC to apply a "necessary" or "impair" standard in determining the network elements ILECs must unbundle. The Court ruled that the FCC had improperly failed to consider the availability of alternatives outside the ILEC's network and had improperly assumed that a mere increase in cost or decrease in quality would suffice to require that the ILEC provide the UNE. The Court therefore vacated in its entirety the FCC rule setting forth the UNEs that the ILEC is to provide. The FCC must now promulgate new UNE rules that comply with the Act. As a result, any provisions in the Terms requiring GTE to provide UNEs are nullified.

Third, the Court upheld the FCC rule forbidding ILECs from separating elements that are already combined (Rule 315(b)), but explained that its remand of Rule 319 "may render the incumbents' concern on [sham unbundling] academic." In other words, the Court recognized that ILEC concerns over UNE platforms could be mooted if ILECs are not required to provide all network elements: "If the FCC on remand makes fewer network elements unconditionally available through the unbundling requirement, an entrant will no longer be able to lease every component of the network."

The Terms which Sprint seeks to adopt does *not* reflect the Court's decision, and any provision in the Terms that is inconsistent with the decision is nullified.

GTE anticipates that after the FCC issues new final rules on UNEs, this matter may be resolved. In the interim, GTE would prefer not to engage in the arduous task of reforming agreements to properly reflect the current status of the law and then to repeat the same process later after the new FCC rules are in place. Without waiving any rights, GTE proposes that the parties agree to hold off amending (or incorporating the impact of the decision into) the Terms and let the section 252(i) adoption proceed by maintaining the status quo until final new FCC rules are implemented (the "New Rules"), subject to the following package of interdependent terms:

1. GTE will continue to provide all UNEs called for under the Terms until the FCC issues the New Rules even though it is not legally obligated to do so.
2. Likewise, Sprint agrees not to seek UNE "platforms," or "already bundled" combinations of UNEs.
3. If the FCC does not issue New Rules prior to the expiration of the initial term of the Terms, GTE will agree to extend any new interconnection arrangement between the parties to the terms of this proposal until the FCC issues its New Rules.

4. By making this proposal (and by agreeing to any settlement or contract modifications that reflect this proposal), GTE does not waive any of its rights, including its rights to seek recovery of its actual costs and a sufficient, explicit universal service fund. Nor does GTE waive its position that, under the Court's decision, it is not required to provide UNEs unconditionally. Moreover, GTE does not agree that the UNE rates set forth in any agreement are just and reasonable and in accordance with the requirements of sections 251 and 252 of Title 47 of the United States Code.
5. The provisions of the contract that might be interpreted to require reciprocal compensation or payment as local traffic from GTE to the telecommunications carrier for the delivery of traffic to the Internet are not available for adoption and are not a part of the 252(i) agreement pursuant to FCC Rule 809 and paragraphs 1317 and 1318 of the First Report and Order.

GTE believes that the first four conditions above are adequately explained by the first part of this letter. The reason for the last condition is the FCC gave the ILECs the ability to except 252(i) adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within FCC Rule 809. GTE never intended for Internet traffic passing through a telecommunications carrier to be included within the definition of local traffic and the corresponding obligation of reciprocal compensation. Despite the foregoing, some forums have interpreted the issue to require reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based under Rule 809 or paragraph 1318 of the First report and Order. As a result, that portion of the contract pertaining to reciprocal compensation is not available under this 252(i) adoption. In its place are provisions that exclude ISP Traffic from reciprocal compensation. Specifically, the definition of "Local Traffic" includes this provision: "Local Traffic excludes information service provider ("ISP") traffic (i.e., Internet, 900 – 976, etc)"

In sum, GTE's proposal as described above would maintain the status quo until the legal landscape is settled.

Sprint's adoption of the AT&T arbitrated Terms shall become effective upon filing of this letter with the Kentucky Public Service Commission and remain in effect no longer than the date the AT&T arbitrated Terms are terminated. The AT&T arbitrated agreement is currently scheduled to expire on June 28th, 2002.

As these Terms are being adopted by you pursuant to your statutory rights under section 252(i), GTE does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by GTE of the Terms does not in any way constitute a waiver by GTE of its position as to the illegality or unreasonableness of the Terms or a portion thereof, nor does it constitute a waiver by GTE of all rights and remedies it may have to seek review of the Terms, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant to arbitration in Case No. 96-478, or to seek review in any way of any provisions included in these Terms as a result of Sprint's 252(i) election.

Nothing herein shall be construed as or is intended to be a concession or admission by either GTE or Sprint that any contractual provision required by the Commission in Case No. 96-478 (the AT&T Communications of the South Central States, Inc. arbitration) or any provision in the Terms complies with the rights and duties imposed by the Telecommunications Act of 1996, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and both GTE and Sprint expressly reserve their full right to assert and pursue claims arising from or related to the Terms. GTE contends that certain provisions of the Terms may be void or unenforceable as a result of the Court's decision of January 25, 1999 and the remand of the pricing rules to the United States Eighth Circuit Court of Appeals.

Should Sprint attempt to apply such conflicting provisions, GTE reserves its rights to seek appropriate legal and/or equitable relief. Should any provision of the Terms be modified, such modification would likewise automatically apply to this 252(i) adoption.

Please indicate by your countersignature on this letter your understanding of and commitment to the following three points:

- (A) Sprint adopts the Terms of the AT&T Communications of the South Central States, Inc. arbitrated agreement for interconnection with GTE and in applying the Terms, agrees that Sprint be substituted in place of AT&T in the Terms wherever appropriate.
- (B) Sprint requests that notice to Sprint as may be required under the Terms shall be provided as follows:

To : Sprint Communications Company, L.P.
Attention: W. Richard Morris
Vice President-Local Market Integration
7301 College Blvd. - KSOPKV0214
Overland Park, KS 66210
Telephone number: 913/534-6102
FAX number: 913/534-6818

- (C) Sprint represents and warrants that it will be a certified provider of local dialtone service in the State of Kentucky prior to submitting orders for service, and that its adoption of the Terms will cover services in the State of Kentucky only.

Sincerely,

GTE South Incorporated



Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection

Reviewed and countersigned as to points A, B, and C:

Sprint Communications Company, L.P.

APPROVED BY	
LEGAL DEPT.	
1/2	9/15/99
ATTORNEY	DATE

W. Richard Morris

c: D. Robinson - HQE03B73 - Irving, TX
W.E. Munsell